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CANADA PARLIAMENT
HOUSE OF COMMONS
COMMITTEE ON MISCELLANEOUS
PRIVATE BILLS + STANDING
ORDERS

CAI XC 23

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Government
Publications

HOUSE OF COMMONS

First Session—Twenty-eighth Parliament

1968

STANDING COMMITTEE

ON

MISCELLANEOUS PRIVATE BILLS
AND STANDING ORDERS

Chairman: Mr. GÉRARD DUQUET

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 1

THURSDAY, OCTOBER 17, 1968

TUESDAY, OCTOBER 22, 1968

Respecting

BILL C-103

An Act respecting Atlantic Peat Moss Co. Ltd.—Mousse de Tourbe
Atlantic Cie Ltée.

LIBRARY

WITNESS: NOV 14 1968

Mr. Denis Durocher, Parliamentary Agent,

ROGER DUHAMEL, F.R.S.C.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1968

STANDING COMMITTEE ON
MISCELLANEOUS PRIVATE BILLS
AND STANDING ORDERS

Chairman: Mr. Gérard Duquet

Vice-Chairman: Mr. Philip Givens

and Messrs.

Benjamin,	Forget,	Mahoney,
Caccia,	Goode,	Otto,
Cadieu	Gundlock,	Rondeau,
<i>(Meadow Lake),</i>		Scott—(12).

(Quorum 7)

D. E. Levesque,
Clerk of the Committee.

ORDERS OF REFERENCE

House of Commons
Tuesday, October 8, 1968.

Resolved,—That the following Members do compose the Standing Committee on Miscellaneous Private Bills and Standing Orders:

Messrs.

Benjamin,	Forget,	Mahoney,
Caccia,	Givens,	Otto,
Cadieu	Goode,	Rondeau,
(Meadow Lake),	Gundlock,	Scott—(12).
Duquet,		

Tuesday, October 1, 1968.

Ordered,—That Bill C-103, An Act respecting Atlantic Peat Moss Co. Ltd.—Mousse de Tourbe Atlantic Cie Ltée., be referred to the Standing Committee on Miscellaneous Private Bills and Standing Orders.

Attest

ALISTAIR FRASER,
The Clerk of the House of Commons.

REPORT TO THE HOUSE OF COMMONS

The Standing Committee on Miscellaneous Private Bills and Standing Orders has the honour to present its

FIRST REPORT

Your Committee has considered Bill C-103, An Act respecting Atlantic Peat Moss Co. Ltd. and, in French, "Mousse de Tourbe Atlantic Cie Ltée", and has agreed to report it without amendments.

A copy of the Minutes of Proceedings and Evidence, relating to this Bill (Issue No. 1) is tabled.

Respectfully submitted,

GÉRARD DUQUET,
Chairman.

(Presented on Thursday, October 24, 1968).

MINUTES OF PROCEEDINGS

[Text]

Thursday, October 17, 1968.

(1)

The Standing Committee on Miscellaneous Private Bills and Standing Orders met this day at 10:35 o'clock a.m. for the purpose of organization.

Members present: Messrs. Benjamin, Caccia, Duquet, Forget, Goode, Mahoney, Otto (7).

The Clerk presiding and having called for nominations for the election of a Chairman,

Mr. Goode moved, seconded by Mr. Forget, that Mr. Duquet be elected Chairman.

On motion of Mr. Otto, seconded by Mr. Caccia, nominations were closed.

The Clerk put the question which was resolved in the affirmative and declared Mr. Gérard Duquet duly elected Chairman.

Mr. Duquet took the Chair and thanked the Committee.

The Chairman called for motions for the election of a Vice-Chairman.

Mr. Forget moved, seconded by Mr. Caccia, that Mr. Philip Givens be elected Vice-Chairman in absentia.

On motion of Mr. Otto, seconded by Mr. Goode, it was agreed that nominations be closed.

The Chairman put Mr. Forget's motion which was *agreed* unanimously.

Mr. Mahoney moved, seconded by Mr. Caccia,

Resolved,—That the Committee print 500 copies in English and 250 copies in French of its Minutes of Proceedings and Evidence.

It was moved by Mr. Goode, seconded by Mr. Benjamin,

Agreed,—That the Subcommittee on Agenda and Procedure be comprised of the Chairman, the Vice-Chairman and four (4) other members appointed by the Chairman after the usual consultations with the Whips of the different parties.

The Clerk read the Orders of Reference.

At 10:45 o'clock a.m. on motion of Mr. Caccia, seconded by Mr. Forget, the Committee adjourned to the call of the Chair.

Tuesday, October 22, 1968.

(2)

The Standing Committee on Miscellaneous Private Bills and Standing Orders met this day at 10.15 o'clock a.m. The Chairman, Mr. Gérard Duquet presided.

Members present: Messrs. Benjamin, Caccia, Duquet, Forget, Givens, Goode, Gundlock, Mahoney, Scott-(9).

In attendance: Mr. Herb Breau, M.P., sponsor of Bill C-103; Mr. Denis Durocher, Parliamentary Agent; Mr. Louis Lesage, Director of Companies and Corporations Branch, Secretary of State Department.

The Committee proceeded to the consideration of Bill C-103, An Act respecting Atlantic Peat Moss Co. Ltd.—Mousse de Tourbe Atlantic Cie Ltée.

The Chairman called the Preamble and asked Mr. Breau to introduce the Parliamentary Agent.

Mr. Durocher explained the purpose of the Bill.

Mr. Gundlock interrupted on a point of order and said that the Committee was satisfied with the explanation and the informations given by the Parliamentary Agent, and moved, seconded by Mr. Mahoney, that the Bill be adopted.

The Chairman put Mr. Gundlock's motion which *was resolved* in the affirmative.

Mr. Goode moved, and it was agreed,

That the Chairman report Bill C-103, without amendments, as the Committee's FIRST REPORT to the house.

At 10.35 o'clock a.m., on motion of Mr. Mahoney, the Chairman adjourned the Committee to the call of the Chair.

D. E. Levesque,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

Tuesday, October 22, 1968.

• 1014

The Chairman: Order please. I see a quorum. I shall now open the meeting.

Gentlemen, we have before us today Bill C-103, An Act respecting Atlantic Peat Moss Co. Ltd—Mousse de Tourbe Atlantic Cie Ltée.

Our colleague, Mr. Herb Breau, is the sponsor of this bill. I now ask Mr. Breau to introduce the parliamentary agent. The discussion will be on the preamble. Mr. Breau?

• 1015

[Interpretation]

Mr. Breau: Mr. Chairman, due to the fact that the Atlantic . . .

The Chairman: Would you please speak into the microphone . . .

Mr. Breau: . . . Atlantic Peat Moss Co. Ltd. has a representative here today, Mr. Durocher, I will let him address the Committee and for the time being, I have nothing to add, nothing to say.

[English]

The Chairman: Is it the wish of the Committee to hear Mr. Durocher?

Some hon. Members: Agreed.

The Chairman: Mr. Durocher?

[Interpretation]

Mr. Denis Durocher (Parliamentary Agent): Mr. Chairman, members of the Committee. To fully understand the bill or the reasons for the bill that we are

submitting this morning, I would just insist very rapidly, on the fact that this company was dissolved under the Companies Act and in particular under section 125 of that Act for not having produced annual reports, which are really short. The cause for which that company was dissolved is related to the publication of two notices in the Gazette.

Then, legally, the company has no corporate existence. What we are asking for through this bill is that the notices published should be considered as having no effect for the company, Mousse de Tourbe Atlantic Cie Ltée and if the Committee adopts the bill, we will produce reports without further delay. This would reactivate the charter of the corporation.

Now, to understand the reasons for which we are applying to the House in asking for exception, one must study the context of the company in which this company operates.

First, the company was incorporated in 1945, by a letter's patent of Canada and it operates in a designated area of New Brunswick. The company extracts, treats, packs and distributes peat moss, . . . It is an industry that is not very well known in general but in this area, in particular in the constituency that Mr. Breau represents, it is an industry that has great importance.

The company employs from 100 to 300 people and it has a collective agreement, and the average wage is around \$2 per hour, double wages for extra time. In rush periods there are 300 people employed at that place, on a full time basis.

Another important factor is that the company has peat fields at Lamèque and Shippaga in the county of Gloucester, in New Brunswick and as I pointed out a moment ago it is a designated area.

The workers are not qualified and according to what I am told, a large number can not even read. Most of these workers are fishermen whom, when the fishing season is finished work with the Atlantic Peat Moss Company Ltd. They are unskilled workers.

To enlarge on what is mentioned above, I can give you a few statistics: last year, the Atlantic Peat Moss

Co. Ltd. paid in wages around \$200,000; some years this is more and in some others less. As to sales, geographical distribution is as follows: at least 90 percent of the sales were made directly to the United States. The sales figure is over a million dollars annually. In Canada, to take the statistics of 1968, only \$84,000 worth of sales as compared to over \$800,000 for the previous year. The estimates for the next few years . . .

• 1020

[English]

Mr. Gundlock: Mr. Chairman, on a point of order, could we not suspend the details, and may I ask one question?

The Chairman: Do members of the Committee agree that we suspend the details and proceed by questions to the witness?

[Interpretation]

Mr. Forget: I would agree to that, to questions, being asked.

[English]

The Chairman: I think we will get to the same point after discussion.

[Interpretation]

No objections?

Mr. Durocher: No, Mr. Chairman.

The Chairman: Then, we shall proceed. . .

[English]

Mr. Gundlock: I have only one question. It is very simple and I think we are probably all agreed. It simply is this: will the Company assure this Committee that this procedure will not be necessary again, and I refer strictly to accounting measures?

Mr. Durocher: Mr. Gundlock, of course I do not believe that there will be any legalistic problems if this measure is adopted. We have in our section three of the bills, also made provision to the effect that the administrators and shareholders do not consider this measure as relieving them from any of their liabilities or obligations.

Mr. Gundlock: Excuse me for interrupting, but we are talking about simple accounting measures?

Mr. Durocher: Yes.

Mr. Gundlock: Would you give that assurance?

Mr. Durocher: We surely can give it.

Mr. Gundlock: You surely can give it?

Mr. Durocher: As far as accounting is concerned.

Mr. Gundlock: Then, Mr. Chairman, I move that this bill be adopted.

The Chairman: Does anybody second the motion that the bill be adopted, considering the answer the witness has given?

Mr. Caccia: So far as the motion is concerned, may we have the benefit of the company's completing its presentation to give us background which perhaps will put us in a better position to support the Motion? At least we will have a more complete idea of what we are doing.

The Chairman: I understand your point, Mr. Caccia.

[Interpretation]

Mr. Durocher would you like to state the details as briefly as possible and what are your intentions?

Mr. Durocher: In regard to the company, it is at the present time, after a few financial difficulties, because of the American competition—because it is the only small size company in this field in Canada at the present time—is beginning to get good results and to maintain a fairly high degree of competition. It has even developed mechanical means that have increased its production.

If the bill is not adopted, a series of things would happen and the company could no longer go on operating. It would just have to liquidate and if necessary close its doors and that is why we are here, because the consequences would be disastrous for this area where the CNR operates mainly for this company. The company gives \$270,000 to the Railways each year. This amount is always increasing. On the economic point of view, we think that keeping this company in operation would be a good thing for the area. I think

that the company would be obliged to close down if the bill is not adopted.

As legal consequences, strictly legal, we simply ask that the notices that were published should be deemed to having no effect, which would give us a delay of two months in order to produce the necessary reports. I think that the consequences of the bill should be considered in particular from the point of view of its results and considerable effects. I had an opportunity recently to read a report, a communication by an expert, Mr. J. A. Mollen of Toronto, a legal firm that publishes various reports each year and . . .

• 1025

[*English*]

Mr. Gundlock: Mr. Chairman, certainly the members of the Committee have looked into this; I think we are all aware of this.

The Chairman: I understand your point very well, Mr. Gundlock, but on the other hand I just cannot ask the members to put aside their wish to have more information if they so desire. I think Mr. Durocher has been quite clear so far and that we might put your motion to a vote.

Mr. Mahoney: I have just one question, Mr. Chairman. The object here is to reinstate this Company and its intention is to carry on business. They are not being reinstated merely to surrender their Charter or do something else of advantage in a better way. You intend to carry on business.

[*Interpretation*]

Mr. Durocher: It is quite correct, Mr. Chairman, without any doubt . . .

[*English*]

Mr. Givens: Mr. Chairman, why did the Charter lapse in the first instance? I might have missed this earlier.

Mr. Mahoney: They failed to file annual returns, among other things.

Mr. Givens: Well, why did they fail? Did the lawyers gum up the works? Was it negligence or stupidity? If this business is as vital to the area as you would have us believe—and I think you are making a good case for

that—why did they louse it up by failing to put in annual returns and keeping abreast of the times?

Mr. Durocher: Mr. Chairman, I might answer this question by stating that this Company has had serious financial trouble. It has had a very small staff for administration. It has a sales force mostly in the United States where the big market is, and it operates mostly by Telex. During this period of financial difficulty the administrators tried to keep the staff very small. Therefore, during a certain period, purely administrative matters were sort of set aside and the administrators were very caught up with the day to day problems, which were production, union problems at one time, and financial. Therefore, they left to a third party outside the Company the care of filing the reports.

Mr. Givens: Has the financial situation been corrected?

Mr. Durocher: It has been corrected for the first year, now. As of June 30 they are showing a slight profit. Now, of course this surely will be quite a salutary lesson to the administrators. They have always duly filed their income tax reports and returns and they are quite in order with the Department. This surely has been a sort of slip.

The third party, incidentally, was not a member of our firm. At one time he had a heart attack and neglected to file a return, and he did so without telling the administrators of the Company. But, mind you, the administrators do recognize that it is their duty to the shareholders and they know they are personally to blame.

Mr. Givens: How long did the failure persist?

Mr. Durocher: Three years, sir.

Mr. Givens: Three years. Now, if we restore this Charter in this way and the financial situation goes downhill again, are we faced with the possibility, politically, that somebody is going to come around and ask for a subsidy because this industry is so vital to the area?

• 1030

Mr. Durocher: I do not think so. This has not been done to date.

Mr. Givens: Do you give a written undertaking?

Mr. Gundlock: He has given a written public statement to that effect, and believe me, if they do it again they will not be back here and I think they understand this.

The Chairman: I do not know if it is true, but I know you are excused. Does the Committee agree that we put the motion to a vote?

Mr. Mahoney: I second the motion.

Motion agreed to.

(See Minutes of Proceedings for clause by clause consideration of the Bill.)

Mr. Goode moved, that the Chairman report Bill C-103, without amendments, as the Committee's FIRST REPORT to the House.

OFFICIAL REPORT OF MINUTES
OF
PROCEEDINGS AND EVIDENCE

This edition contains the English deliberations
and/or a translation into English of the French.

Copies and complete sets are available to the
public by subscription to the Queen's Printer.
Cost varies according to Committees.

Translations under the direction of the Bureau
for Translations, Secretary of State.

ALISTAIR FRASER,
The Clerk of the House.

HOUSE OF COMMONS

First Session—Twenty-eighth Parliament
1968-69

STANDING COMMITTEE
ON

MISCELLANEOUS PRIVATE BILLS
AND STANDING ORDERS

Chairman: Mr. GÉRARD DUQUET

MINUTES OF PROCEEDINGS AND EVIDENCE
No. 2

WEDNESDAY, MARCH 26, 1969

Respecting
A Petition
of
The Perth Mutual Fire Insurance Company



WITNESS:

Mr. Strachan Heighington, Parliamentary Agent.

The Queen's Printer, Ottawa, 1969

STANDING COMMITTEE ON
MISCELLANEOUS PRIVATE BILLS
AND STANDING ORDERS

Chairman: Mr. Gérard Duquet

Vice-Chairman: Mr. Philip Givens

and Messrs.

Caccia,	Goode,	¹ Peters,
Cadieu	Gundlock,	Rondeau,
(Meadow Lake),	Mahoney,	Scott—(12).
Forget,	Otto,	

(Quorum 7)

Maxime Guitard,
*Assistant Chief of Committees
and Private Legislation Branch,
Clerk of the Committee.*

¹ Mr. Peters replaced Mr. Benjamin, on October 25, 1968.

ORDERS OF REFERENCE

FRIDAY, October 25, 1968.

Ordered,—That the name of Mr. Peters be substituted for that of Mr. Benjamin on the Standing Committee on Miscellaneous Private Bills and Standing Orders.

THURSDAY, March 13, 1969.

Ordered,—That the petition of Perth Mutual Fire Insurance Company (The) for an act to change its name, filed after the time limit under Standing Order 90, be referred to the Standing Committee on Miscellaneous Private Bills and Standing Orders together with the Eleventh Report of the Clerk of Petitions thereon presented to the House on Wednesday, February 26, 1969 for any recommendations the Committee deems advisable.

ATTEST:

ALISTAIR FRASER,
The Clerk of the House of Commons.

REPORT TO THE HOUSE OF COMMONS

The Standing Committee on Miscellaneous Private Bills and Standing Orders has the honour to present its

SECOND REPORT

Pursuant to its Order of Reference of March 13, 1969, your Committee has considered the petition for a Private Bill of The Perth Mutual Fire Insurance Company, filed after the time specified in Standing Order 90, together with the Report of the Clerk of Petitions thereon tabled on February 26, 1969.

The Counsel for the petitioner stated that the delay beyond the time specified by Standing Order 90 was occasioned, in part, by a misinterpretation of the Standing Order.

The Parliamentary Agent for the petitioner stated that it is essential that the proposed legislation be allowed to proceed during the present session of Parliament. He therefore respectfully asked that the petition be received.

After having considered the petition, the Committee recommends that Standing Order 90 be suspended, in relation thereto, and that this petition be received. The consequent charges as provided for by Standing Order 91(3)(a) and (c) will amount to \$300.00.

The petition referred to above, together with the report of the Clerk of Petitions related thereto, is returned herewith.

A copy of the relevant Minutes of Proceedings and Evidence (*Issue No. 2*) is tabled.

Respectfully submitted,
GÉRARD DUQUET,
Chairman.

MINUTES OF PROCEEDINGS

WEDNESDAY, March 26, 1969

(3)

[Text]

The Standing Committee on Miscellaneous Private Bills and Standing Orders met at 3:45 o'clock this afternoon, the Chairman, Mr. Duquet, presiding.

Members present: Messrs. Caccia, Duquet, Forget, Givens, Gundlock, Mahoney, Scott—(7).

In attendance: Mr. Gordon Blair, M.P., sponsor of the petition and Mr. Strachan Heighington, Parliamentary Agent.

The Committee proceeded to its Order of Reference, the Chairman invited Mr. Heighington, Parliamentary Agent, to give the members of the Committee the reasons for the late petition of the Perth Mutual Fire Insurance Company.

Mr. Heighington outlined the purposes of the proposed legislation which necessitated the Company he represents to meet with the Superintendent of Insurance after the 25th of October 1968 being the closing date for the filing of petitions with the Clerk of the House.

The Parliamentary Agent also insisted on the importance for the Perth Mutual Fire Insurance Company to seek the petition received and the bill passed during the current Session.

Mr. Blair, M.P., Sponsor of the Petition, also insisted on the fact that a misinterpretation of Standing Order 90 inadvertently conducted the petitioner to file a late petition.

On motion of Mr. Givens:

*Resolved unanimously,—*That a recommendation be made to the House seeking that Standing Order 90 be suspended in relation to this petition, that the said petition be received and the consequential charges of \$300 be levied and that the Chairman of the Committee be hereby instructed to report to the House accordingly.

At 4:05 p.m. the Committee adjourned to the call of the Chair.

Maxime Guitard,
*Clerk of the Committee and
Assistant Chief of Committees
and Private Legislation Branch.*

EVIDENCE

(Recorded by Electronic Apparatus)

Wednesday, March 26, 1969

• 1547

The Chairman: Gentlemen, I see a quorum. This meeting has been called to consider a late petition. That petition has been filed with the Clerks of the House after the twelfth week from the beginning of the session. The acceptance of the petition and the suspension of Standing Order 90 will automatically levy a charge of \$300 on the petitioners unless the Committee deems otherwise.

I invite Mr. Strachan Heighington, who is Parliamentary Agent for the Perth Mutual Fire Insurance Company, to give the reason or reasons why the company he represents filed a late petition. Mr. Heighington?

Mr. Strachan Heighington (Parliamentary Agent for Perth Mutual Fire Insurance Company): Mr. Chairman and members, my name is Heighington and I am a lawyer for the firm of Blake, Cassels and Graydon in Toronto, appearing on behalf of the Perth Mutual Fire Insurance Company. I have with me Mr. Harry G. Livingstone who is the President and General Manager of the company.

Mr. Chairman, with your permission I think it might be helpful to members of the Committee if I took about five minutes to explain some of the background of the Bill, as I think it relates to the timing involved in our presentation of the petition.

The Perth Mutual Fire Insurance Company was originally incorporated in Upper Canada prior to Confederation. It carried on general fire insurance business initially and later casualty and personal property insurance, and in 1960 commenced writing automobile insurance. It is one of a group known as "cash-mutuals," which have authority to issue policies both on the mutual system and on the cash system. It does not have any capital stock at the present time.

During recent years, although the volume of insurance written by the company has substantially increased, its underwriting losses have also increased, with the result that the company has been required to maintain a portion of the increased reserves and, like

many relatively small companies, has found some difficulty in competing with the largest companies in the same field, particularly since selling insurance on the mutual system does not provide a substantial source of additional capital to carry on, let alone to increase and expand, the business of the company.

Because of this situation, it was eventually determined that the company should explore the possibility of forming some association

• 1550

with another Canadian company in the same field. Following certain informal negotiations, which were conducted on a highly confidential basis, a company known as The Economical Mutual Insurance Company expressed some interest in a proposed association between the two companies.

Both companies were anxious to maintain their respective corporate identities and it was eventually agreed during October of 1967 that the Perth Mutual should seek an amendment to its charter which would permit the company to issue stock in which Economical Mutual could subscribe.

The Chairman: I wonder whether the Committee members are so very interested in the substance of the circumstances.

Mr. Gundlock: I think so, Mr. Chairman.

Mr. Heighington: I think I have substantially described the essence of the predication of the company which causes it to seek application to amend its charter: it needed capital and because of this it developed a connection with Economical Mutual. I think, Mr. Chairman, this will prove to be significant in a few minutes for reasons which I will explain.

Following the discussions between these two companies, the compagnies then approached the Superintendent of Insurance and in November, 1967 a meeting was held in the Superintendent's office to outline what was proposed. Subsequent to that, in the following January, the Superintendent gave his detailed comments on the proposal and requested a draft bill to be prepared.

The companies then proceeded with the preparation of that bill and with an agreement between the two companies involved. A draft bill was eventually submitted to the Superintendent in April, 1968 but discussions and correspondence continued during the summer of that year with respect to various matters such as the classes of insurance, the rights of the policy holders, the position of the directors, and so on.

In the fall on 1968, on October 7, a further meeting was held at the Superintendent's office for the approval of the documents which had then been settled. Following receipt of the Superintendent's approval each of the boards of directors of the two companies met to obtain corporate authority to proceed and a special general meeting of the members of Perth Mutual was held on November 6, at which time the members of the company unanimously approved the proposed agreement and also the draft bill which was presented.

Now, Mr. Chairman, during these negotiations and the settlement of these documents, both Perth Mutual and Economical proceeded on a misunderstanding concerning the filing time. At an early stage during the discussions they obtained some information—not clear from whence, but apparently from one of the government departments—which suggested to them that the petition must be filed within 60 days after the commencement of the session.

It was later explained that this was 60 sitting days. It was not until after the meeting of members on November 6 that it became apparent this was a misunderstanding, that the rule was not framed in that manner at all, and by this time in November the period for filing petitions had already expired—I believe it was October 25. Therefore it became apparent at this stage for the first time that it would be necessary to seek permission to file the petition late and to seek

• 1555

suspension of the standing order in this regard. In addition, of course, it would be necessary at this point to publish notice in the Gazette on four occasions and to make a similar publication in the Stratford newspaper, the *Beacon-Herald*.

This is the main reason, Mr. Chairman, for the failure of the company to file its application within the permitted time. As I have explained, most of the discussions, negotiations and correspondence proceeded on this

assumption. I believe it is fair to say that the Superintendent's office also appeared to be under the same assumption as late as October 7, that the company would have plenty of time after its November 7 meeting to file its petition and still be within the permitted period. As it turned out, in fact, it was not possible to complete the publication until after the time when the House had adjourned for Christmas.

The Senate Committee on Standing Orders has agreed to permit the petition to be presented and the bill was read in that place and was considered by the Senate Committee on Banking, Trade and Commerce. I understand that third reading is about to take place or has already taken place.

Mr. Chairman, the main reason for urgency which I would like to explain to the Committee is a provision in the agreement between Perth Mutual and Economical Mutual which states that if the bill is not passed at the current session of Parliament, Economical Mutual will be relieved of its obligation to subscribe for something in excess of \$1 million worth of stock in Perth Mutual. This is the reason, Mr. Chairman, why the company is anxious to have this bill considered and considered as soon as possible by the House.

Mr. Chairman, I would be happy to answer any questions or to have Mr. Livingstone provide any privy information which any of the members of the Committee may wish to have on this matter.

The Chairman: Mr. Blair?

Mr. Blair: Mr. Chairman, I apologize first of all for being late and coming in after Mr. Heighington had commenced his address. When I first heard of this matter through a phone call from Mr. Heighington's partner, the time for filing the petition had already expired. I assured myself, in conversation with the Superintendent of Insurance, of two things: first of all, that the failure to file the petition in time had resulted from a misunderstanding and second, that in the opinion of the Superintendent of Insurance it was quite necessary that this bill be presented and passed at this Session. For that reason I hope the Committee will look favourably upon the request of the companies for permission to proceed.

I should also add something so that members of the Committee will not think that any advantage has been taken of the rules of this

chamber. As hon. members know, after third reading of a bill in the Senate it is transmitted to the House and first reading here becomes automatic. Now, I had spoken to certain officials of the chamber to advise them of the problem, but notwithstanding a mechanical error occurred and this bill has actually been distributed and may even have had first reading in a technical sense. For that reason also, Mr. Chairman, I hope your Committee will look favourably upon it, because if not this might be referred to the Procedure Committee of which I am Chairman and we have enough problems already.

The Chairman: Are there any other questions?

Mr. Givens: Does approval of late filing now mean that they have to start *ab initio* or does this cure the defect? Does the fact that there was a first reading send it on its way for second reading?

• 1600

Mr. Blair: We may merit a special citation in Beauchesne unless this problem is solved.

Mr. Givens: Is that so?

Mr. Blair: You do not have to proceed *ab initio*, as I understand it.

The Chairman: Are there any other questions?

Mr. Givens: I second this historic motion of Mr. Blair.

Mr. Blair: I cannot make the motion.

Mr. Givens: Are you not a member of the Committee?

Mr. Blair: No.

Mr. Givens: Well, by virtue of the power vested in me as a member of Parliament, at the behest of Mr. Blair, my friend, I move it.

The Chairman: Are you moving that it be accepted, Mr. Givens?

Mr. Givens: Yes.

The Chairman: The Committee has to decide whether it is to be accepted without the charge of \$300 due because of the late presentation, or with the charge of \$300.

Mr. Givens: I do not know about this; I do not see why there should be a penalty if the failing to file in time was inadvertent as, in a

sense, would seem to be the case. What is the procedure?

Mr. Mahoney: I do not think we would be doing these gentlemen any favour if we waived the penalty, frankly, because it is difficult enough getting bills of this nature through the House of Commons without adding more ammunition to the arsenal of those who tend to make the lives of insurance companies and trust companies miserable when private bills come before the House. I see no particular justification for waiving the penalty.

Mr. Blair: Mr. Chairman, I have discussed this matter with the sponsors of the bill and perhaps Mr. Heighington would like to comment on the impression I have, that knowing the penalty was payable they did not include in their request to the Committee any suggestion that it be waived under these circumstances.

Mr. Heighington: Mr. Chairman, I am invited to comment. I think Mr. Blair has expressed my point very ably. There is really nothing further to add on the point. It is in the hands of the Committee as to what they consider appropriate. If it is the decision of the Committee that we should be required to pay the fine, the company will be glad to do so.

Mr. Givens: I am not being facetious; the thought that crossed my mind when Mr. Mahoney spoke was that it is a matter of precedence that you have to watch all the time. When it gets into the House somebody is just bound to throw that up: if you did it for so-and-so why not do it for so-and-so? Then you get into all kinds of harangues and it is hardly worth it. I am not doing this capriciously, but on second thought I think it would be wiser to do it this way.

Therefore, I move that a recommendation be made to the House seeking that Standing Order 90 be suspended in relation to this petition, that the said petition be received and the consequential charges of \$300 be levied and that the Chairman of the Committee be hereby instructed to report to the House accordingly.

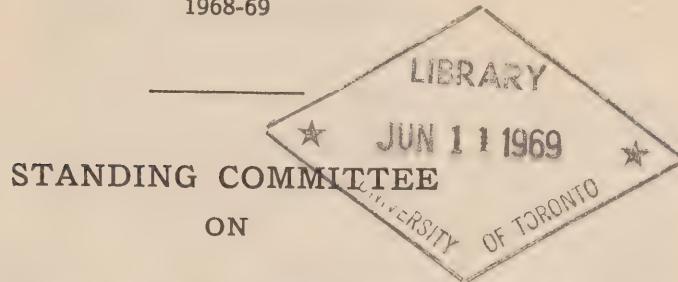
Motion agreed to.

The Chairman: The Committee is adjourned to the call of the Chair. Thank you, gentlemen.

HOUSE OF COMMONS

First Session—Twenty-eighth Parliament

1968-69



**MISCELLANEOUS PRIVATE BILLS
AND STANDING ORDERS**

Chairman: Mr. GÉRARD DUQUET

**MINUTES OF PROCEEDINGS AND EVIDENCE
No. 3**

WEDNESDAY, MAY 7, 1969

Respecting
FOUR LATE PETITIONS

**PARLIAMENTARY AGENCIES:
(See *Minutes of Proceedings*)**

STANDING COMMITTEE ON
MISCELLANEOUS PRIVATE BILLS
AND STANDING ORDERS

Chairman: Mr. Gérard Duquet

Vice Chairman: Mr. Philip Givens

and Messrs.

Caccia,
Cadieu
(*Meadow Lake*),
Goode,

Gundlock,
¹ LeBlanc (*Rimouski*),
Mahoney,
Otto,

Peters,
Rondeau,
Scott—(12).

(Quorum 7)

Maxime Guitard,
Assistant Chief of Committees
and Private Legislation Branch,
Clerk of the Committee.

Pursuant to Standing Order 65(4)(b),

¹ Mr. LeBlanc (*Rimouski*) replaced Mr. Forget, on May 7, 1969.

ORDER OF REFERENCE

THURSDAY, May 1, 1969.

Ordered.—That the petitions of The Canada North-west Land Company (Limited), of Nova Scotia Savings & Loan Company, of Canadian Pacific Railway Company, and that of Thomas Ledwell Doyle, of the City of Moncton, New Brunswick and six other persons, praying for the passing of an Act incorporating “Atlantic Mutual Life Assurance Company” and, in French, “La Compagnie mutuelle d’assurance-vie Atlantique”, filed after the time limit under Standing Order 90, be referred to the Standing Committee on Miscellaneous Private Bills and Standing Orders together with the Twelfth and Thirteenth Reports of the Clerk of Petitions thereon presented to the House on Friday, April 25, 1969 and Thursday, May 1, 1969 for any recommendations the Committee deems advisable.

ATTEST:

ALISTAIR FRASER,
The Clerk of the House of Commons.

REPORT TO THE HOUSE

TUESDAY, May 13, 1969.

The Standing Committee on Miscellaneous Private Bills and Standing Orders has the honour to present its

THIRD REPORT

Pursuant to its Order of Reference of May 1, 1969, your Committee has considered the petitions for Private Bills of the following;

1. The Canada North-west Land Company (Limited),
2. Nova Scotia Savings & Loan Company,
3. Canadian Pacific Railway Company,
4. Thomas Ledwell Doyle, of the City of Moncton, New Brunswick and six other persons, praying for the passing of an Act incorporating "Atlantic Mutual Life Assurance Company" and, in French, "La Compagnie mutuelle d'assurance-vie Atlantique",

filed after the time specified in Standing Order 90, together with the Reports of the Clerk of Petitions thereon tabled on April 25, 1969 and on May 1, 1969, respectively.

The Parliamentary Agents of the different petitioners stated that the delay beyond the time specified by Standing Order 90 was occasioned, in part, by factors beyond the control of their clients. Nevertheless, they declared that it is essential that the proposed legislation be allowed to proceed during the present session of Parliament. They therefore respectfully asked that these petitions be received.

After hearing the reasons given for late-filing of these petitions, the Committee recommends that Standing Order 90 be suspended, in relation thereto, and that these petitions be received. The consequent charges as provided for by Standing Order 91(3) (a) and (c) amount to \$300. in each case.

The petitions referred to above, together with the reports of the Clerk of Petitions related thereto, are returned herewith.

A copy of the relevant Minutes of Proceedings and Evidence (Issue No. 3) is tabled.

Respectfully submitted,

GERARD DUQUET,
Chairman.

(Concurred in on May 13, 1969).

MINUTES OF PROCEEDINGS

[Text]

WEDNESDAY, May 7, 1969.
(4)

The Standing Committee on Miscellaneous Private Bills and Standing Orders met at 3.45 p.m. this day. The Chairman, Mr. Duquet, presided.

Members present: Messrs. Caccia, Duquet, Goode, LeBlanc (Rimouski), Mahoney, Otto, Scott—(7).

Also present: Mr. Robert McCleave, M.P.

Parliamentary Agencies: Messrs. Marcel Joyal, Q.C., L. J. Hayes and Jeffrey King, Parliamentary Agents.

The Chairman informed the Committee that it had been referred four late petitions.

1. Late petition of The Canada Northwest Land Company (Limited) Mr. Ian Wahn, M.P., Sponsor.

The Parliamentary Agent was invited by the Chairman to give the reasons why his client has filed a late petition. Mr. Joyal, Q.C., explained that a very radical change in the composition of the Board of Directors of the Company took place on the first of this year. The necessity of petitioning Parliament was considered in January 1969 and it was only on the eleventh of February 1969 that a by-law was adopted authorizing the filing of a petition with the House of Commons. The Parliamentary Agent insisted on the fact that if the legislation sought is adopted, it will be the last time Parliament has to deal with his client.

Then, on motion of Mr. Scott it was,

Resolved unanimously—that a recommendation be made to the House seeking that Standing Order 90 be suspended in relation to this petition, that the said petition be received and the consequential charges of \$300.00 be levied and that the Chairman of the Committee be hereby instructed to report to the House accordingly.

2. Late petition of Nova Scotia Savings & Loan Company—Mr. Robert McCleave, M.P., Sponsor.

The Chairman invited the Parliamentary Agent to give the reasons for the late filing of his client's petition. Mr. Hayes explained that it is only during the month of February 1969 that the circumstances necessitating an amendment to the Company's Act of Incorporation arose. As a matter of fact, a take-over bid developed during February 1969 and the shareholders adopted a by-law in March 1969 authorizing this petition.

Some members of the Committee asked the witness a few questions.

Then, on motion of Mr. Caccia it was,

Resolved unanimously—that a recommendation be made to the House seeking that Standing Order 90 be suspended in relation to this petition, that the said petition be received and the consequential charges of \$300.00 be levied and that the Chairman of the Committee be hereby instructed to report to the House accordingly.

3. Late petition of Canadian Pacific Railway Company—Mr. Doug Stewart, M.P., Sponsor.

Mr. Jeffrey King, Parliamentary Agent, was invited by the Chairman of the Committee to justify the late petition of his client. Mr. King explained that during the summer of 1968 discussions took place between CPR authorities, COMINCO and certain Japanese interests with respect to marketing of coal deposits in the Kootenay area. In order to bring these coal deposits to Japanese markets it was necessary to build a branch railway line. Since that line was to be more than twenty (20) miles in length, consent of Parliament was required. Consent of Parliament was also required to enter into agreements with the B.C. Hydro and Power Authority, CNR and Great Northern Railway.

Tests were taken and certain studies were undertaken but not completed until this Spring. Moreover, B.C. Hydro and Power required consent of the B.C. Legislature to enter into these agreements. Such authority was granted in November 1968.

The questioning of the witness being completed, on motion of Mr. Mahoney it was,

Resolved unanimously—that a recommendation be made to the House seeking that Standing Order 90 be suspended in relation to this petition, that the said petition be received and the consequential charges of \$300.00 be levied and that the Chairman of the Committee be hereby instructed to report to the House accordingly.

4. Late petition of Atlantic Mutual Life Assurance Company—Mr. Robert McCleave, M.P., Sponsor.

At the invitation of the Chairman of the Committee, Mr. Hayes, Parliamentary Agent, gave the reasons why his client had filed a late petition. The Maritime Hospital Service Association that was supposed to provide the funds before Atlantic Mutual Life Assurance Company commenced its operations had to obtain complementary legislation from the Nova Scotia Legislature, which, in fact, did not meet until February 1969.

The witness was asked a few questions, and on motion of Mr. Otto it was,

Resolved unanimously—that a recommendation be made to the House seeking that Standing Order 90 be suspended in relation to this petition, that the said petition be received and the consequential charges of \$300.00 be levied and that the Chairman of the Committee be hereby instructed to report to the House accordingly.

At 4:00 o'clock p.m. the Committee adjourned to the call of the Chair.

Maxime Guitard,
Clerk of the Committee
and
Assistant Chief,
Committees and Private Legislation Branch.

EVIDENCE

(Recorded by Electronic Apparatus)

Wednesday, May 7, 1969

• 1545

The Chairman: Gentlemen, I see a quorum. We have today four late petitions. The first one is a late petition of The Canada Northwest Land Company (Limited). The sponsor is Mr. Wahn and the Parliamentary Agent is Mr. Marcel Joyal, and for your information I would like to ask Mr. Joyal to give the explanation why the petition was presented late.

Mr. Marcel Joyal (Parliamentary Agent): Thank you, Mr. Chairman and gentlemen. The consideration that was made by this company to seek an amendment to its private act was as a result of a fairly radical change in the composition of the Board of Directors which took place on January 1. Discussions took place during the course of January to apply to Parliament for changes in its private act. The by-law authorizing the company to proceed with this was adopted on February 11, 1969, and I believe it was on that date that the petition was filed with your House.

One consideration perhaps which might be of interest to you is that with your assistance and your recommendation in approving of this petition, it would be the last time that Parliament would have to be considered in any changes affecting this particular Corporation.

The draft bill which we have filed is very simple in scope. It simply permits the Company at any time after the amendment has been adopted by Parliament to simply apply to the Corporations Branch for letters patent continuing it as a company under the Canada Corporations Act.

I thought perhaps that this principle alone would be one that might commend itself to you.

The Chairman: Gentlemen, you have heard Mr. Joyal, and as you know the rule is to levy a charge of \$300 in such cases. I would ask if there is a mover among the members of the Committee so as to levy that charge?

Mr. Scott: We are limited to \$300 are we? I so move.

The Chairman: Mr. Scott moves that a recommendation be made to the House seeking that Standing Order 90 be suspended in relation to this petition, that the said petition be received, that the consequential charges of \$300 be levied, and that the Chairman of the Committee be hereby instructed to report to the House accordingly. Is it the will of the Committee that the motion should be moved?

Motion agreed to.

Thank you, Mr. Joyal.

Mr. Joyal: Gentlemen, Mr. Chairman, thank you very much.

The Chairman: The second petition is in regard to Nova Scotia Savings and Loan Company. The sponsor is Mr. Robert McCleave, M.P., and the Parliamentary Agent is Mr. Hayes. Mr. Hayes, would you please give the necessary explanation.

Mr. L. J. Hayes (Parliamentary Agent): Mr. Chairman and members of the Committee, this petition is being filed after the time prescribed by the rules because the circumstances necessitating an amendment to the Company's act of incorporation did not arise and did not become known to the Company until February of this year.

• 1550

The general purpose of the legislation is to restrict the number of shares which an individual or group can hold in this Company and the legislation is sought in response to a takeover bid which developed in February of this year.

The shareholders approved the seeking of this legislation in March of this year and since that time we have proceeded as quickly as Parliamentary procedures allow us to bring the bill before Parliament.

The Chairman: Would the members of the Committee like to put supplementary ques-

tions to Mr. Hayes? If not, does someone wish to move a motion.

Mr. Otto: You spoke of circumstances that prevented your filing the application until January 11. I am sorry—it came up on January 11.

Mr. Hayes: Yes. It first became known in February.

Mr. Otto: What were these circumstances again?

Mr. Hayes: A company began to acquire shares in Nova Scotia Savings and Loan Company, it became apparent that there was a takeover bid developing, and this is a reaction to that takeover bid.

Mr. Otto: In other words, you are saying that as of January 11 you discovered this was a takeover bid, not merely an acquisition of shares?

Mr. Hayes: That is correct. February 11 was the date.

Mr. Otto: So you have asked for legislation. Mr. Chairman, are we suppose to inquire into the legislation?

The Chairman: Yes, there is no objection to that.

Mr. Otto: We can adopt the policy of clean hands and so on?

Briefly, what is the legislation that you are requesting?

The Chairman: Mr. Otto, I would like to remark that the only motion we have is to levy a charge of \$300 and report to the House accordingly that it has been levied.

It is not a bill, it is a petition.

Mr. Otto: If we do not have the right or the authority I will accede to the Chair. I have no questions.

Mr. Caccia: I so move, Mr. Chairman.

The Chairman: It is moved by Mr. Caccia that a recommendation be made to the House seeking that Standing Order 90 be suspended in relation to this petition, that the said petition be received and the consequential charges of \$300 be levied and that the Chairman of the Committee be hereby instructed to report to the House accordingly.

Motion agreed to.

The Chairman: That will be all, Mr. Hayes.

Mr. Hayes: Thank you, Mr. Chairman and gentlemen.

The Chairman: The next petition concerns the Canadian Pacific Railway Company. The Sponsor is Mr. Doug Stewart and the Parliamentary Agent is Mr. Jeffrey King.

Mr. Otto: Mr. Chairman, before we go on, if we have only the right to levy the \$300 can we not dispense with the reasons for the delay?

The Chairman: You can question as you did before. You can ask why it was a late petition—why it was not produced in due time.

Are there any questions?

Mr. Mahoney: Well, I would like to hear the reason, Mr. Chairman, before being asked to vote on it.

Mr. Jeffrey King (Parliamentary Agent): Mr. Chairman, the reasons that the CPR failed to file its petition within the first six weeks of this session are basically that it was sometime during the summer of last year that discussions took place between the CPR,

• 1555

Cominco and certain Japanese interests with respect to the marketing of certain coal deposits in the Kootenay area. In order to bring these to the Japanese market it was necessary for the CPR to establish or to set up a branch railway line, requiring the consent of Parliament since this would exceed 20 miles in length, and also to enter into agreements with British Columbia Hydro and Power Authority, the Great Northern Railway and the Canadian National Railways, all of which would form an integral part in the railway line or network that would be constructed in order, as I say, to bring these coal deposits to the required market.

Tests were taken and certain studies undertaken which were not completed until this spring. Furthermore, the British Columbia Hydro and Power Authority required the consent of the British Columbia legislature in order to enter into these agreements. This authority was only granted sometime during November of last year, which in itself was beyond the six-week period.

These are the basic reasons that this bill was not filed on time. For this reason I would

ask that perhaps the Committee dispense with the fine because this was totally beyond the failure of the CPR itself.

The Chairman: Are there any questions for Mr. King?

Mr. Mahoney: I move the usual motion, Mr. Chairman.

The Chairman: It has been moved by Mr. Mahoney that a recommendation be made to the House seeking that Standing Order 90 be suspended in relation to this petition, that the said petition be received and the consequential charges of \$300 be levied and that the Chairman of the Committee be hereby instructed to report to the House accordingly.

Motion agreed to.

Mr. King: Thank you, Mr. Chairman.

The Chairman: The fourth and last petition is that of the Atlantic Mutual Life Assurance Company. The sponsor is Mr. McCleave and the Parliamentary Agent is, again, Mr. Hayes.

Mr. Hayes: Mr. Chairman and members of the Committee, the delay in the presentation of this petition to Parliament was caused by the necessity of obtaining complementary legislation from the Province of Nova Scotia.

This act is being sponsored by the Maritime Hospital Service Association and it is this Association which will provide the funds which are necessary before Atlantic Mutual Life Assurance Company can commence operations. The Maritime Hospital Service Association is a company incorporated by a special act of the province of Nova Scotia and before they could subscribe the necessary funds it was necessary to obtain an amend-

ment to their own act of incorporation in Nova Scotia. Of course, the legislature of that province did not meet until February of this year and in due course the necessary amendment was passed. As soon as it did receive royal assent the petition was presented and all other steps were taken to bring the matter before Parliament.

The Chairman: Gentlemen, are there any questions?

Mr. Otto: You are not requesting that we dispense with the \$300 then?

Mr. Hayes: I think not, in view of the previous motion.

Mr. Otto: Mr. Chairman, if the only power we have is to either dispense with it or not dispense with it I think that all applications save and except the CPR probably deserved the dispensation because obviously they were delayed by powers outside their control. However, at this late stage I do not think we should make an exception. Therefore I move that the normal fine be levied.

The Chairman: Mr. Otto moves that a recommendation be made to the House seeking that Standing Order 90 be suspended in relation to this petition, that the said petition be received and the consequential charges of \$300 be levied and that the Chairman of the Committee be hereby instructed to report to the House accordingly.

Motion agreed to.

Mr. Hayes: Thank you, Mr. Chairman.

The Chairman: The Committee is adjourned to the call of the Chair.

HOUSE OF COMMONS

First Session—Twenty-eighth Parliament
1968-69

STANDING COMMITTEE
ON

**MISCELLANEOUS PRIVATE BILLS
AND STANDING ORDERS**

Chairman: Mr. GÉRARD DUQUET

MINUTES OF PROCEEDINGS AND EVIDENCE
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No. 4 AUG - 5 1969
UNIVERSITY OF TORONTO

WEDNESDAY, JUNE 25, 1969

Respecting
A LATE PETITION OF
BOY SCOUTS OF CANADA—SCOUTS DU CANADA

PARLIAMENTARY AGENT:
(See *Minutes of Proceedings*)

STANDING COMMITTEE ON
MISCELLANEOUS PRIVATE BILLS
AND STANDING ORDERS

Chairman: Mr. Gérard Duquet

Vice-Chairman: Mr. Philip Givens
and Messrs.

Caccia,	Gundlock,	Peters,
Cadieu	LeBlanc (<i>Rimouski</i>),	Rondeau,
<i>Meadow Lake</i>),	Mahoney,	Scott—(12).
¹ Crossman,	Otto,	

(Quorum 7)

Maxime Guitard,
Assistant Chief of Committees
and Private Legislation Branch,
Clerk of the Committee.

Pursuant to Standing Order 65(4)(b),

¹ Mr. Crossman replaced Mr. Goode, on June 25, 1969.

ORDER OF REFERENCE

MONDAY, June 23, 1969.

Ordered,—That the petition of Boy Scouts of Canada—Scouts du Canada for the passing of an Act changing its name in French to «Les Boy Scouts du Canada», and incorporating L'Association des Scouts du Canada, filed after the time limit under Standing Order 90, be referred to the Standing Committee on Miscellaneous Private Bills and Standing Orders together with the Fourteenth Report of the Clerk of Petitions thereon presented to the House on Monday, June 23, 1969, for any recommendation the Committee deems advisable.

ATTEST:

ALISTAIR FRASER
The Clerk of the House of Commons

REPORT TO THE HOUSE

THURSDAY, June 26, 1969.

The Standing Committee on Miscellaneous Private Bills and Standing Orders has the honour to present its

FOURTH REPORT

Pursuant to its Order of Reference of June 23, 1969, your Committee has considered the petition for a Private Bill of Boy Scouts of Canada—Scouts du Canada, filed after the time specified in Standing Order 90, together with the Report of the Clerk of Petitions thereon tabled on June 23, 1969.

The Counsel for the petitioner stated that the delay beyond the time specified by Standing Order 90 was occasioned by the fact that an agreement between the two parties was not reached before late in 1968 and it was only in March, 1969 that the petition mentioned above was finally filed.

The Parliamentary Agent declared that it is essential that the proposed legislation be allowed to proceed during the present Session of Parliament. He therefore respectfully asked that the petition be received.

Having considered this petition for a Private Bill, your Committee recommends that Standing Orders 90 and 91(3)(a) and (c) be suspended in relation thereto, and that the petition be received. This will result in the waiving of all charges because the petitioner is a benevolent organization.

The petition referred to above, together with the report of the Clerk of Petitions related thereto, is returned herewith.

A copy of the relevant Minutes of Proceedings and Evidence (Issue No. 4) is appended.

Respectfully submitted,

for GÉRARD DUQUET,
Chairman.

(Concurred in on June 26, 1969.)

MINUTES OF PROCEEDINGS

WEDNESDAY, June 25, 1969.

(5)

The Standing Committee on Miscellaneous Private Bills and Standing Orders met at 4:00 o'clock p.m. this day. The Vice-Chairman, Mr. Givens, presided.

Members present: Messrs: Cadieu (*Meadow Lake*), Crossman, Forget, Givens, Mahoney, Otto, Peters, Scott. (8)

In attendance: Mr. Joseph P. Guay, M.P., Sponsor.

Parliamentary Agent: Mr. Marcel Joyal, Q.C.

The Committee considered the late petition for a Private Bill of Boy Scouts of Canada—Scouts du Canada.

The Chairman invited the sponsor of the petition, Mr. Guay, M.P., to introduce the Parliamentary Agent.

Mr. Joyal, Q.C., stated that the delay beyond the time specified by Standing Order 90 was occasioned by the fact that an agreement between the two parties was not reached before late in 1968 and it was only in March 1969 that the petition above mentioned was finally filed.

The Parliamentary Agent declared that it is essential that the proposed legislation be allowed to proceed during the present Session of Parliament. He therefore respectfully asked that the petition be received and the charges waived, since it is a benevolent organization.

Having considered this petition for a Private Bill, on motion of Mr. Otto it was

Resolved unanimously: that a recommendation be made to the House that the petition be received and that Standing Orders 90, 91(3)(a) and (c) be suspended in relation thereto. This will have the effect of waiving all charges.

At 4:08 o'clock p.m. the Committee adjourned to the call of the Chair.

Maxime Guitard,
Assistant Chief of Committees
and Private Legislation Branch,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

Wednesday, June 25, 1969.

• 1603

The Chairman: Gentlemen, I call the meeting to order. The matter we have to deal with is the late petition of the Boy Scouts of Canada. The sponsor is Mr. Joseph Guay.

Mr. Guay, will you please introduce the Parliamentary Agent?

Mr. Guay: Mr. Chairman, I believe, you are aware of the petition you have at hand at the moment in relation to this bill. The bill was presented to the Senate and approved as Bill No. S-39 on Thursday, June 12, 1969.

I can think of no better way of giving an explanation than to make reference to what Senator Lamontagne said in the Senate debate on June 17. I refer you to pages 1585 and 1586. There be said:

It provides for two things: first, it incorporates an existing group, presently known as "Les Scouts catholiques du Canada (secteur français)", under the name of "L'Association des Scouts du Canada", which will serve French-speaking Catholics throughout the country.

What is happening here—and I presume you are all aware of it—is that they are dropping the word "Catholic" from their name, which is agreeable to both parties.

I can think of no better way to sum it up than to quote what was said by Jean-Marie Poitras, the President of L'Association des

• 1605

Scouts du Canada—their new name—in the two last paragraphs of a letter he sent to me dated March 21. This is what he wrote:

"I wish to say that this day marks a memorable event in the life of Canada. Les Scouts Catholiques du Canada, Secteur français, and the Boy Scouts of Canada, by their affiliation, will play a role of first importance in the unity of our country.

"You are certainly aware that since my appointment as Governor General I have often repeated that the three principal questions that beset me, that worry me and that haunt me are those of youth, of national unity and of spiritual values. In the Scouts, I have found them all."

I wish only to repeat, Mr. Chairman, that by uniting these two groups, which are similar except for the difference in name, we will be creating that unity that we talk so much about and which is so vital and necessary at this time. It was for that reason that I accepted to support and present the bill on their behalf.

Mr. Otto: Can the parliamentary agent explain why they are late?

The Chairman: You were going to introduce Mr. Joyal. Mr. Joyal?

Mr. Marcel Joyal, Q.C. (Parliamentary Agent): To answer your question, sir, the agreement between the Boy Scouts of Canada and what will, we hope, be known as L'Association des Scouts du Canada, was reached very late in 1968 or early in 1969.

The petition was originally presented on March 10. It went through the Senate. At this particular time it would require, of course, that you recommend that it be accepted for late filing. I am hopeful you will see your way clear to do this in these circumstances.

Mr. Otto: What about the \$300?

Mr. Joyal: Perhaps I could suggest that this is a benevolent and non-profit type of operation for which the status is being sought. Perhaps you might find that the Receiver General might not be too discouraging, or perhaps somebody might move that the penalty be waived.

Mr. Otto: Before the motion is made, in relation to what Mr. Joyal is saying about this being a benevolent association, is his legal firm also not charging any fees?

Mr. Joyal: I think our fees are quite reasonable. I think they include our disbursements in a matter of this nature.

Mr. Otto: I move that recommendation be made to the House that the petition be received and that Standing Orders 90 and 91 (3) (a) and (c) be suspended.

The Chairman: This has the effect of waiving all charges, so that there is approval of the late filing. All those in favour?

Motion agreed to

The Chairman: This meeting stands adjourned to the call of the Chair.

The Queen's Printer, Ottawa, 1969

HOUSE OF COMMONS

First Session—Twenty-eighth Parliament
1968-69



**MISCELLANEOUS PRIVATE BILLS
AND STANDING ORDERS**

Chairman:

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 5

THURSDAY, JULY 3, 1969

Respecting

Bill S-32, An Act respecting The Canada North-West Land Company Limited;

Bill S-39, An Act respecting Boy Scouts of Canada and to incorporate L'Association des Scouts du Canada.

WITNESSES:

(See Minutes of Proceedings)

STANDING COMMITTEE ON
MISCELLANEOUS PRIVATE BILLS
AND STANDING ORDERS

Chairman:

Vice-Chairman: Mr. Philip Givens
and Messrs.

Cadieu (<i>Meadow Lake</i>),	Hymmen,	Scott,
Forget,	Otto,	Tolmie,
Guay (<i>St. Boniface</i>),	Peters,	Wahn—12
Gundlock,	Rondeau,	

D. E. Levesque,
Clerk of the Committee.

Mr. Hymmen replaced Mr. Caccia on July 3, 1969

Mr. Tolmie replaced Mr. Crossman on July 3, 1969

Mr. Guay (*St. Boniface*) replaced Mr. Duquet on July 3, 1969

Mr. Wahn replaced Mr. Mahoney on July 3, 1969

ORDER OF REFERENCE

HOUSE OF COMMONS,
FRIDAY, June 27, 1969.

Ordered,—That the following Bills be referred to the Standing Committee on Miscellaneous Private Bills and Standing Orders:

Bill S-32, An Act respecting the Canada North-west Land Company (Limited).

Bill S-39, An Act respecting Boy Scouts of Canada and to incorporate L'Association des Scouts du Canada.

ATTEST:

ALISTAIR FRASER,
The Clerk of the House of Commons.

REPORTS TO THE HOUSE

THURSDAY, July 3, 1969

The Standing Committee on Miscellaneous Private Bills and Standing Orders has the honour to present its

FIFTH REPORT

Pursuant to its Order of Reference of Friday, June 27, 1969, your Committee has considered Bill S-32, an Act respecting The Canada North-west Land Company (Limited), and has agreed to report it without amendment.

A copy of the Minutes of Proceedings and Evidence relating to this Bill (Issue No. 5) is tabled.

Respectfully submitted,

PHILIP GIVENS,
Vice-Chairman.

The Standing Committee on Miscellaneous Private Bills and Standing Orders has the honour to present its

SIXTH REPORT

Pursuant to its Order of Reference of Friday, June 27, 1969, your Committee has considered Bill S-39, An Act respecting Boy Scouts of Canada and to incorporate *L'Association des Scouts du Canada*, and has agreed to report it without amendment.

A copy of the Minutes of Proceedings and Evidence relating to this Bill (Issue No. 5) is tabled.

Respectfully submitted,

PHILIP GIVENS,
Vice-Chairman.

MINUTES OF PROCEEDINGS

[Text]

THURSDAY, July 3, 1969.
(6)

The Standing Committee on Miscellaneous Private Bills and Standing Orders met this day at 10:20 a.m., the Vice-Chairman, Mr. Philip Givens, presiding.

Members present: Messrs. Givens, Guay (St. Boniface), Hymmen, Otto, Peters, Tolmie, Wahn.—(7)

Witnesses: Mr. Marcel Joyal, Q.C., Parliamentary Agent; Mr. Louis Lesage, Director of Companies and Corporations Branch, Secretary of State Department; Mr. Percy Ross, Chief Executive Officer, Boy Scouts of Canada; Mr. Jean Tellier, "L'Association des Scouts du Canada".

The Committee proceeded to the study of Bill S-32, An Act respecting The Canada North-west Land Company (Limited).

The Vice-Chairman read the Preamble and asked Mr. Ian Wahn, M.P., the Sponsor of the Bill, to introduce the Parliamentary Agent. Mr. Joyal explained the purpose of the Bill.

After debate, the Preamble carried, Clause 1 carried, the Title carried and the Bill carried.

Mr. Hymmen moved, and it was agreed,

That the Vice-Chairman report Bill S-32, without amendments, as the Committee's Fifth Report to the House.

On Bill S-39, An Act respecting Boy Scouts of Canada and to incorporate "L'Association des Scouts du Canada".

The Vice-Chairman read the Preamble and asked the Sponsor, Mr. Joseph Guay, M.P., to present the Parliamentary Agent.

After debate the Preamble, Clauses 1 to 18, the Title and the Bill were carried.

Moved by Mr. Tolmie,

Agreed,—that the Vice-Chairman report Bill S-39, without amendments, as the Committee's Sixth Report to the House.

At 10:50 a.m., Mr. Tolmie moved the adjournment of the Committee to the call of the Chair.

D. E. Levesque,
Clerk of the Committee.

EVIDENCE

(Recorded by Electronic Apparatus)

Thursday, July 3, 1969.

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The Vice-Chairman: Gentlemen, I call the meeting to order.

We have before us today Bill S-32, An Act respecting The Canada North-west Land Company (Limited) and Bill S-39, an Act respecting Boy Scouts of Canada and to incorporate L'Association des Scouts du Canada. Mr. Ian Wahn who is the sponsor of Bill S-32 will introduce the Parliamentary Agent on the first bill dealing with The Canada North-west Land Company.

The preamble reads as follows:

Whereas The Canada North-west Land Company (Limited), hereinafter called "the Company", has by its petition prayed that it be enacted as hereinafter set forth, and it is expedient to grant the prayer of the petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

That is the preamble. Mr. Wahn.

Mr. Wahn: Mr. Chairman, I would like to introduce the Parliamentary Agent, Mr. Marcel Joyal.

The Vice-Chairman: Mr. Joyal.

Mr. Joyal: Thank you. It is just a matter of coincidence, I believe, Mr. Chairman, but there are two bills which are before you today and I happen to be Parliamentary Agent for both of them.

On this Canada North-west Land Company (Limited) Act—you have the draft of the bill before you—it is simply an expedience whereby this Company, which has been incorporated by a private act of Parliament where there is absolutely no reason at all why it should be under private statute, would be enabled upon the adoption of this particular Clause 22 to apply to the Corporations Branch, constitute itself as a letters patent corporation, and thereafter never have to come back to Parliament whenever it requires any changes in its corporate status.

I have with me the President and the Chief Executive Officer of Canada North-west, Mr. Graham Gemmell, who is on my immediate right, in the event that you might have some questions to ask of him relating to the Company and its current operations. It is an old, old charter as you can see from the Preamble, and the powers, provisions and all sorts of other stipulations in it are becoming increasingly obsolete. There is no doubt that the time has come when all that carapace must be discarded so that the Company can become a very neatly structured small company, which it is, to continue with its oil and gas explorations and development operations.

That is about all I have to say.

The Vice-Chairman: Mr. Clerk, I would like to ask you for some guidance. In reading the Preamble, is it only the first paragraph that constitutes the Preamble?

The Clerk: That is right.

The Vice-Chairman: Not the whole thing.

The Clerk: No.

The Vice-Chairman: I just wanted to be technically right.

Mr. Joyal: I am sorry. I should have said that the opening words of Clause 1 disclose that it is an old company.

The Vice-Chairman: Yes. I thought that perhaps we were wrong in not including that in the reading of it. Are there any questions, gentlemen, for Mr. Joyal or Mr. Gemmell?

Preamble agreed to.

On Clause 1.

Mr. Peters: On Clause 1, could I ask why it is necessary to drop a fairly extensive private act for letters of patent and just why it is necessary to go through this procedure?

Mr. Gemmell: The main purpose is to give us flexibility in future operations. The things that were in our charter included many unnecessary things which might in the future hold us back. For example, in the original charter we were allowed to build telephone

lines and operate telegraphs. This is something which we could not possibly do on our own and if this thing remained in our charter we might run into difficulty in the future, having to come before a regulatory board. We just did not want it. We want to clean it up and make it just an oil and gas exploration company for natural resources exploitation.

Mr. Peters: I am interested in the old format we used for establishing parliamentary

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companies. It did give the right to build town sites and telephone lines and everything under the sun—railroads in some cases. When these powers are granted—your Company has been in existence a long time—have there been liabilities attached to the supernumerary powers that you have and that your Company was not interested in using? Is there a liability attached to some of those powers as well?

Mr. Gemmell: What do you mean by liability? Do you mean in the form of debt?

Mr. Peters: No, no. Is there an obligation? Are there obligations attached to these powers?

Mr. Gemmell: Oh, no. Not until we exercise them.

Mr. Guay (St. Boniface): Is this a detriment to the Company?

Mr. Peters: Yes. Is there a negative side to excessive powers?

Mr. Gemmell: No.

Mr. Peters: The reason I am asking this is that we have for some time now been interested in changing that original format that had everything but the kitchen sink in it, and we have always said that you did not want this in it. I was just asking whether or not there has been a liability attached to some of these powers that you did not want and have never used?

The Vice-Chairman: Gentlemen, Mr. Louis Lesage is here from our, Corporation Branch of the office of the Secretary of State. Perhaps Mr. Lesage could set the Committee members' minds at ease with respect to the nature of this bill we have before us. Mr. Lesage, would you care to cover this?

Mr. Louis Lesage (Corporation Branch, Secretary of State): Mr. Chairman, regarding the remarks about limiting the intention of

the Company, of limiting its objectives by dropping those powers of having telephone and telegraph lines and the like, I think that the Company does not in fact lose anything because if the Company wants to go into that field, it would have to come back anyway to the governing agencies. If you have an opportunity to see Bill C-198, which was brought before the House a month or so ago, you will see that all those companies will also, if and when Bill C-198 is passed, be under the letters patent system, but with the concurrence of the governing agencies like the Board of Transport Commissioners or the National Energy Board according to the various objectives they want to pursue.

In the case of The Canada North-west Land Company (Limited), I understand that they have never used such powers. They have no intention of making use of them, at least in the near future, but if thereafter they want to come back and ask for those powers, they will not have to come back to Parliament, and it would not be detrimental to the company to accept the bill as is.

Mr. Peters: Mr. Chairman, the point that I wanted to make was that the Corporation Branch has been using a format whereby we have granted in the past four or five years the right for some people to do everything including put satellites on the moon if they want, and they were only going to be looking for oil or running a small pipeline 20 miles or something like this. I just was curious to ask this Company that has had long experience if there is not only no advantage but a decided disadvantage in having these powers.

I agree that a Company should be more definite in what they want to do and what their aspiration is and then the legislation should provide for that and not a bunch of other things that the Company does not want. I am in agreement. This was a good opportunity to talk to a Company that has been in existence for something over 60 years and their experience probably is indicative of what the experience is of most of the companies that have these broad powers.

Mr. Gemmell: We have not found them any disadvantage. This Company is virtually a new company at the moment. It has never tried to exercise any of these powers so therefore it has not experienced any disadvantage from having had this thing. But in future we could see that circumstances might

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arise where we could be hindered by having such a broad charter with so many extra things in it that we do not need. People would begin to come after us.

Clause 1 agreed to.

Title agreed to.

The Vice-Chairman: Shall I report the bill?

Some hon. Members: Agreed.

The Vice-Chairman: Thank you very much Mr. Gemmell and Mr. Lesage. The next order of business is Bill S-39. Mr. Joseph Guay, M.P., is sponsor of the bill and he will present, by coincidence again, Mr. Joyal who is parliamentary agent for the bill. The Preamble reads:

Whereas the Boy Scouts of Canada has by its petition prayed that it be enacted as hereinafter set forth in section 1; and

Whereas the persons named in section 2 have by their petition prayed that it be enacted as set forth in sections 2 and following, and it is expedient to grant the prayer of the petitions: Therefore, Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

You will remember that this Bill was introduced in the House and had first reading and the House concurred unanimously in it; therefore, it has been referred back from the House and is due to be reported back probably on Monday for third and final reading.

Mr. Guay?

Mr. Guay (St. Boniface): I would like to present Mr. Marcel Joyal, who is here today for that particular purpose, Mr. Chairman. He will carry on from here.

Mr. Joyal: Thank you, Mr. Guay. Mr. Chairman, as witnesses on this particular Bill—which you will have noted, is divided into two parts; it touches the Boy Scouts of Canada and it also touches the l'Association des Scouts du Canada—Mr. Ross is present, who is the Chief Executive Officer for the Boy Scouts of Canada, and there is also Mr. Tellier, who is the Associate Commissioner General of the French-speaking association and Mr. Dionne, who is the Secretary General of the French-speaking association. This Bill, briefly, is the culmination of a great deal of negotiations which was conducted by people on both sides of the cultural fence to arrive at

some understanding whereby the excellent work which is being done by the Boy Scouts movement could be exercised probably more properly along more defined cultural lines. I suppose to give you the position of the Boy Scouts of Canada on this Bill, perhaps Mr. Ross might have a few words to say.

Mr. Otto: Mr. Chairman, before Mr. Ross proceeds, I understand, Mr. Joyal, that the purpose of the previous bill was to get it out of these Committees and out of the House of Commons and put it into the Corporation Branch. Indeed that was the purpose of the legislation, to clean up all of these incorporations charters and so on out of the House of Commons. This one, of course, reverses the process. Why? Can you not come under the Corporations Branch? Why is it necessary to have this in the House of Commons and continued in the House of Commons?

Mr. Joyal: My understanding of this is that first of all the Boy Scouts of Canada themselves wish to change their French name. They cannot do so—and I wish Mr. Lesage was still here to endorse this—under the existing provisions of the Corporations Act. They would lose their private status. I understand that the Boy Scouts of Canada, simply by reason of history, would be extremely anxious to keep the prestige of a private status.

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In any event they have to come to you to change their name. There is no other procedure available at the moment.

Mr. Otto: Well, Mr. Joyal, I understand what you are saying, but I would have hoped this Committee was sort of a self disintegrating Committee and in time there would be nothing for us to deal with, but it seems that this statute is going to be around for a long time. It might quite possibly be that there would be a Committee to deal with nothing else but the Boy Scouts.

Mr. Joyal: Yes.

Mr. Guay (St. Boniface): Mr. Chairman, might I ask a supplementary on that?

The Vice-Chairman: Yes. Mr. Guay.

Mr. Guay (St. Boniface): Possibly this might be for clarification, but I feel before doing what has been suggested that the aim or the purpose of this Bill is to get the two groups together. Once this has been done and

the groups are united as was suggested in a previous meeting; once the French name of the Boy Scouts of Canada drops the word "Catholic" out and once the two groups are together, then I think possibly the Boy Scouts of Canada could proceed in the way Mr. Otto has mentioned. It is a matter of first uniting them and then I think these other matters will come up.

Mr. Peters: Mr. Chairman, it is my understanding that although we did make the machinery available for letters patent for changing of names and things of that nature, that we did not eliminate the possibility, when so desired, of an association or company coming before us with a private bill. The right to petition for a private bill is still available. There are alternative methods and those who have followed the operation of this Committee in some of the machinations of legislation will agree that there are reasons why some would rather do it other ways. I think it is still a right and there has not been any limitation of the right to petition for private bills. In some cases there is a special status attached to an Act of Parliament that is not attached to letters patent.

Mr. Otto: Mr. Chairman, if I recall there was a Mr. Peters and a Mr. Howard and many other members who worked very hard over a number of years trying to get all this business out of the House of Commons and I am only asking: What is the special requirement? What is the Boy Scouts prerequisite that they want to be an association by statute, rather than under the Corporations Branch? Is there a reason that you want to do this?

Mr. Joyal: Yes, I think the reason as far as the Boy Scouts of Canada is concerned—and perhaps Mr. Ross might have more definitive information than I can provide you on this—is that it has had a long history of a corporate status by private legislation of this nature. I think in those circumstances, unless other circumstances should arise where they would find it preferable to go to letters patent under the Corporations Act, I think there are intangible values there which they would like to preserve. As Mr. Guay said it might conceivably be that once these two associations are grouped together under one common statute, thereafter they might very well in later years come under the Corporations Act. I think there is a principle involved which is of great importance to them. If they are going to have one French-speaking and one English-speaking Boy Scout movement, they have to be

joined somewhere. The way they are going to be joined is under a common statute which will be Bill No. S-39.

Mr. Otto: Thank you.

Mr. Joyal: I do not know if I can give you any more practical reason than that. It is more intangible I think.

The Vice-Chairman: Are there any further questions?

Preamble agreed to.

Clauses 1 to 10 inclusive agreed to.

Mr. Peters: I have questions on Clauses 11 and 12.

On Clause 11—*Application of mortmain laws*

On Clause 12—*Transfer of property held in trust*

Mr. Peters: I would just like to know whether the act that the Boy Scouts now have allows national control of property?

Mr. Joyal: No. If I could answer on Clause 11. This is one which you will find not only in federally incorporated bodies by private statute. However, you will also find that the same

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rule applies to federally incorporated companies under the Corporations Act, they have the power to hold land. But, if in any one province there is a statute relating to the corporate holding of lands, which is usually called the Mortmain and Charitable Uses act, then that company must apply in that province for a mortmain licence in order to enable it to hold land in that province. It is a problem of divided jurisdiction, I think. In other words, it specifies, "You have power to hold land anywhere in Canada, but to the extent that it is beyond our legislative competence, such as property and civil rights, you are subject to provincial laws".

Mr. Peters: Clause 12 would be the same. You hold in trust no doubt now under incorporation.

Mr. Joyal: Yes, there is some of the land.

Mr. Peters: Are the French Boy Scouts and the English Boy Scouts separate as to property at the present time? This section is to allow them to transfer the holdings of both associations to this Act, I presume.

Mr. Joyal: It will be the other way...

Mr. Peters: To a national organization?

Mr. Joyal: It would be the other way around I believe. The provisions of Section 12 only apply to what will be the newly created group called the French-speaking Association and it gives them identical powers with respect to properties held in trust as has already been provided for the Boy Scouts of Canada.

Mr. Peters: Do they not have any property now?

Mr. Joyal: Oh, yes. Perhaps Mr. Tellier or Mr. Dionne could answer that question?

The Vice-Chairman: In other words, what happens to property already held to uses under the charter?

Mr. Pierre Dionne, (General Secretary, Catholic Scouts of Canada): The french-speaking Boy Scouts organization has a charter, an old charter dated back to 1935 of the Province of Quebec and the national organization is temporarily using this provincial charter for holding properties. Once this bill is passed the old La Fédération des Scouts Catholiques de la Province de Québec as it is called, will sell the properties for \$1.00 and so on and so forth to l'Association des Scouts du Canada.

The Vice-Chairman: They will transfer whatever they are holding to uses now into this common carrier sort of?

Mr. Dionne: Yes.

The Vice-Chairman: It will be merger?

Mr. Dionne: Yes. Legally right now only this provincial charter has permitted the French association to own buildings, lands and everything else.

The Vice-Chairman: Okay.

Mr. Peters: Yes, that is fine.

Clauses 11 to 18 inclusive agreed to.

The Chairman: Mr. Otto?

Mr. Otto: I do not want to hold up this act but I would like to explain to the Committee

that taking Mr. Joyal's rationalization that the Boy Scouts would like this to be under statutes because of the aura of respectability or the antiquity that goes with the House of Commons or the Parliamentary statute, we must then remember that all associations, practically all of the nonprofit associations will come to us and it is going to be very difficult to deny any of them, whether it be a league for women or a league for crippled civilians or any one of them, to come before this House and Parliament and be a parliamentary statutory corporation. I only mention this because it seems to me that if we do—and I have no objection to having these clauses carried except to indicate to you, Mr. Chairman—we are going to be involved in a great deal of work respecting these nonprofit organizations. With great respect, I submit that over a period of time possibly all the nonprofit corporations will be before the House and all the profit corporation will probably be before the administrative bodies. So I am just mentioning that it is going to be very difficult for us to deny anybody a statutory corporation on a nonprofit basis, but I have no objection to this one carrying.

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The Vice-Chairman: Gentlemen, Mr. Otto's point I think is well taken but it is probably at the moment irrelevant to the passing of this bill. The only thing I can say, Mr. Joyal and Mr. Ross is that you heard what he said and I, personally, think he is probably right. Now that you are about to be married, you can determine what your feature is to be with respect to the subject matter of Mr. Otto's remarks. However, that is something I think that you have to decide.

Title agreed to.

The Vice-Chairman: Shall I report the Bill?

Some hon. Members: Agreed.

Mr. Hymmen: I move that we report both bills to the House as the Committee's fifth Report, without amendments?

Agreed to.

The Vice-Chairman: Thank you very much gentlemen. The meeting is adjourned to the call of the Chair.

